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**FISCAL IMPACT STATEMENT**

**LS 7341**

**BILL NUMBER:** HB 1707

**NOTE PREPARED:** Apr 3, 2003

**BILL AMENDED:** Apr 3, 2003

**SUBJECT:** Paraprofessionals.

**FIRST AUTHOR:** Rep. Klinker

**FIRST SPONSOR:** Sen. Alting

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☒ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) The bill specifies that the Department of Education is the agency that: (1) identifies and disseminates to school corporations the criteria that Title I paraprofessionals must meet under Federal statutes; and (2) determines the assessment that is required of certain paraprofessionals under Federal statutes. The bill authorizes the Department to seek waivers from provisions of the Federal "No Child Left Behind" statutes that conflict with Indiana school accountability provisions if the U.S. Department of Education allows states to seek waivers.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** (Revised) *Summary:* Under the bill, the Department of Education would be responsible to identify and disseminate to school corporations the criteria for meeting Federal paraprofessional requirements. The Department would not incur any additional administrative expense to implement this provision, including selection of a paraprofessional assessment examination. The Department already administers the existing requirements of the Title I program. Cost of the assessment would either be borne by the applicant or by the use of Federal funds. The current cost of the ETS assessment the Department would select is \$40 to administer.

*Waivers:* Under the bill, the Department may seek waivers under the Federal Elementary and Secondary Education Act of 2002 for provisions that conflict with P.L. 221-1999, should waivers become authorized by the Federal government. Prior to seeking waivers, the Department must consult with the State Board of Education and the Education Roundtable. *This provision would expire June 30, 2008.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Summary:* School corporations would be required to use Federal funds from the Title I grant to support ongoing training and professional development to meet the requirements of the bill. School corporations would be allowed to use Federal funds for the payment of fees for paraprofessional assessments required by the bill.

In order to comply with the bill, a portion of existing Title I Federal funding would need to be reallocated. This may require the re-assignment or reduction of school licensed employees and paraprofessionals. The impact of this provision to local expenditures would depend on the school corporation, and the amount of Federal funding given to the school corporations to continue Title I programs.

*Background:* In school year 2001-2002, 286 school corporations in Indiana received \$152 M in Title I funds for the purpose of targeted assistance and school-wide programs to improve achievement in low-achievement students. Approximately 111,800 students statewide participated in the Title I program during the 2001-2002 school year.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education; Professional Standards Board.

**Local Agencies Affected:** School corporations receiving Title I funding.

**Information Sources:** Linda Miller, Terry Spradlin, Department of Education.

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